AMENDED IN ASSEMBLY FEBRUARY 16, 2006 AMENDED IN ASSEMBLY SEPTEMBER 7, 2005 AMENDED IN SENATE MAY 4, 2005

SENATE BILL

No. 813

Introduced by Senator Denham (Coauthor: Senator Machado)

(Coauthor: Assembly Member Wolk)

February 22, 2005

An act to amend Sections 17071.33, 17071.40, and 17071.75 of, to amend and repeal Section 17017.7 of, and to repeal Sections 17071.35 and 17071.40 Section 17071.35 of, the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 813, as amended, Denham. School facilities.

(1) Existing law, the Leroy F. Greene State School Building Lease-Purchase Law of 1976, authorizes the State Allocation Board to apportion state funding to applicant school districts for designated school facilities construction purposes. Existing law provides a priority schedule for the approval of project funding for new construction with respect to multitrack year-round schools.

This bill would provide that those provisions regarding the priority schedule are in effect only until January 1, 2012, and are repealed as of that date.

(2) Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts, prescribed per-unhoused-pupil state funding for construction

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and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition.

Existing law requires an applicant school district for new construction to submit to the board a one-time report of existing school building capacity, to be calculated pursuant to a specified formula. Existing law requires, for purposes of determining existing school building capacity, the calculation to be adjusted as required for first priority status, as provided.

This bill would require that calculation adjustment to be phased out over the next 6 years, commencing January 1, 2006 commencing on the effective date of this act, as provided.

(3) Existing law exempts a school on a year-round, multitrack calendar with a density of 200 or more pupils enrolled per acre, that is located in a school district with 40% of its pupils attending a multitrack, year-round, school from specified building capacity requirements.

This bill would instead exempt a school that is located in a school district with 30% of its pupils attending a multitrack, year-round, school.

(4) Existing law provides that a school district's ongoing eligibility for new construction funding is determined by making calculations related to certain factors, including, but not limited to, enrollment projections, the number of pupils that may be adequately housed in the existing school building capacity of the district, and increases or decreases in enrollment resulting from the Year-Round School Grant Program.

This bill would prohibit the enrollment changes reported under the Year-Round School Grant Program from reducing a school district's ongoing eligibility for new construction funding, if the school district provides specified evidence.

- (3)
- (5) This bill would make related changes.
- (4) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

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SECTION 1. Section 17017.7 of the Education Code is amended to read:

- 17017.7. (a) Notwithstanding any other provision of this chapter, priority for the approval of project funding for new construction under this chapter, shall be as follows:
- (1) First priority for construction funds shall be given to school districts with a substantial enrollment in multitrack year-round schools requesting state funding for 50 percent of the cost of a project that would be constructed to operate on a multitrack year-round basis.
- (2) Second priority shall be for school districts with a substantial enrollment in multitrack year-round schools requesting state funding for the entire cost of a project that would be constructed to operate on a multitrack year-round basis.
- (3) Third priority shall be for school districts without a substantial enrollment in multitrack year-round schools requesting state funding for 50 percent of the cost of a project to operate on a multitrack year-round basis.
- (4) Fourth priority shall be for school districts without a substantial enrollment in multitrack year-round schools requesting state funding for the entire cost of a project that would be constructed to operate on a multitrack year-round basis.
- (5) Fifth priority shall be for school districts with a substantial enrollment in multitrack year-round schools requesting state funding for 50 percent of the cost of a project that would not operate on a multitrack year-round basis.
- (6) Sixth priority shall be for school districts with a substantial enrollment in multitrack year-round schools requesting state funding for the entire cost of a project that would not operate on a multitrack year-round basis.
- (b) The board shall not restrict the availability of funding for construction of multitrack year-round schools, from any funding source available to the State School Building Lease-Purchase Fund, but shall make approval of project funding for those projects the first priority in accordance with this section.
- (c) "Substantial enrollment," for the purposes of this section, means enrollment of at least 30 percent of district pupils in kindergarten and grades 1 to 6, inclusive, or 40 percent of pupils

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in kindergarten and grades 1 to 12, inclusive, in the high school attendance area for which the school district is applying for new facilities. The calculation set forth in this subdivision, as to a self-certifying district, shall be made by the district, in accordance with any standards governing that calculation that are adopted by the board. The calculation shall be certified by the district to the board and used by the board for the purposes of this section. The self-certifying district shall maintain documentation of the calculation as may be required by the board, and the calculation shall be subject to subsequent audit as the board may direct. If a self-certifying district is found by the board to have materially misrepresented its pupil enrollment pursuant to this subdivision, the board may impose either or both of the penalties set forth in paragraphs (1) and (2) of subdivision (b) of Section 17041.2, in accordance with that section.

- (d) "Multitrack year-round school," for purposes of this section, means a school for which the applicant school district demonstrates that both of the following criteria are satisfied:
- (1) The pupils are divided into three or more groups or tracks, which rotate attendance so that, for a majority of schooldays during the school year, at least one group or track is not attending the school while all other groups or tracks are in attendance.
- (2) The operation of the school on a multitrack year-round basis has resulted in an increase in enrollment capacity.
- (e) Notwithstanding any other provision of this section, the State Allocation Board board may continue to implement any year-round school priority provisions for hardships adopted prior to September 1, 1990.
- (f) This section shall remain in effect only until January 1, 2012, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2012, deletes or extends that date.
- 33 SEC. 2. Section 17071.33 of the Education Code is amended 34 to read:
 - 17071.33. (a) For the purposes of determining existing school building capacity, the calculation shall be adjusted as required for first priority status pursuant to Section 17017.7 as that calculation would have been made under the policies of the board in effect immediately preceding September 1, 1998. The calculation adjustment *made on applications filed on and after*

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the effective date of the act that adds this sentence shall be phased out over the next six years, commencing January 1, 2006, so that the percentage requirement specified in subdivision (c) of Section 17017.7 for kindergarten and grades 1 to 6, inclusive, is reduced by five percentage points each of those years, and the percentage for kindergarten and grades 1 to 12, inclusive, is reduced by an equal amount for each of these the same five percentage points for each of those years.

- (b) Notwithstanding subdivision (a), with respect to a high school district, the existing school building capacity shall be calculated without regard to multitrack year-round school considerations.
- SEC. 3. Section 17071.35 of the Education Code is repealed. SEC. 4. Section 17071.40 of the Education Code is repealed. SEC. 5. Section 17071.75 of the Education Code is amended to read:
- 17071.75. After a one-time initial report of existing school building capacity has been completed, a school district's ongoing eligibility for new construction funding shall be determined by making all of the following calculations:
- (a) Each school district that applies to receive funding for new construction shall calculate enrollment projections for the fifth year beyond the fiscal year in which the application is made. Projected enrollment shall be determined by utilizing the cohort survival enrollment projection system, as defined and approved by the board. The board may supplement the cohort survival enrollment projection by the number of unhoused pupils that are anticipated as a result of dwelling units proposed pursuant to approved and valid tentative subdivision maps.
- (b) Add the number of pupils that may be adequately housed in the existing school building capacity of the applicant district as determined pursuant to Article 2 (commencing with Section 17071.10) to the number of pupils for which facilities were provided from any state or local funding source after the existing school building capacity was determined pursuant to Article 2 (commencing with Section 17071.10). For this purpose, the total number of pupils for which facilities were provided shall be determined using the pupil loading formula set forth in Section 17071.25.

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(c) Subtract the number of pupils pursuant to subdivision (b) from the number of pupils determined pursuant to subdivision (a).

- (d) The calculations required to establish eligibility under this article shall result in a distinction between the number of existing unhoused pupils and the number of projected unhoused pupils.
- (e) (1) Apply the increase or decrease resulting from the difference between the most recent report made pursuant to Section 42268, and the report used in determining the school district's baseline capacity pursuant to subdivision (a) of Section 17071.25.
- (2) Eligibility shall not be reduced pursuant to paragraph (1) in any year for a school for which the school district provides evidence that the school district will complete a project within three years that will house the pupils for whom grants were requested pursuant to Section 42260.
- (f) For a school district with an enrollment of 2,500, or less, an adjustment in enrollment projections shall not result in a loss of ongoing eligibility to that school district for a period of three years from the date of the approval of eligibility by the board.
- SEC. 4. Section 17071.40 of the Education Code is amended to read:
- 17071.40. Each school on a year-round, multitrack calendar that has a density of 200 or more pupils enrolled per acre, that is located in a school district with—40 30 percent of its pupils attending multitrack, year-round schools shall be exempted from the increase in school building capacity required by Section 17071.35. Nothing in this section shall be construed as exempting the school from the requirements of Section 17071.33.
- SEC. 5. Section 17071.75 of the Education Code is amended to read:
- 17071.75. After a one-time initial report of existing school building capacity has been completed, the ongoing eligibility of a school district for new construction funding shall be determined by making all of the following calculations:
- (a) A school district that applies to receive funding for new construction shall use the following methods to determine projected enrollment:
- (1) A school district that has two or more schoolsites each with a pupil population density that is greater than 115 pupils per

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acre in kindergarten and grades 1 to 6, inclusive, or a schoolsite pupil population density that is greater than 90 pupils per acre in grades 7 to 12, inclusive, as determined by the Superintendent using enrollment data from the California Basic Educational Data System for the 2004–05 school year, may submit an application for funding for projects that will relieve overcrowded conditions. That school district may also submit an alternative enrollment projection for the fifth year beyond the fiscal year in which the application is made using a methodology other than the cohort survival method as defined by the board pursuant to paragraph (2), to be reviewed by the Demographic Research Unit of the Department of Finance, in consultation with the department and the Office of Public School Construction. If the Office of Public School Construction and the Demographic Research Unit of the Department of Finance jointly determine that the alternative enrollment projection provides a reasonable estimate of expected enrollment demand, a recommendation shall be forwarded to the board to approve or disapprove the application, in accordance with all of the following:

(A) Total funding for new construction projects using this method shall be limited to five hundred million (\$500,000,000), from the Kindergarten-University Public Education Facilities Bond Act of 2004.

- (B) The eligibility amount for proposed projects that relieve overcrowding is the difference between the alternative enrollment projection method for the year the application is submitted and the cohort survival method, as defined by paragraph (2), for the same year, adjusted by the existing pupil capacity in excess of the projected enrollment according to the cohort survival projection method.
- (C) The Office of Public School Construction shall determine whether each proposed project will relieve overcrowding, including, but not limited to, the elimination of the use of Concept 6 calendars, four track year-round calendars, or bussing in excess of 40 minutes, and recommend approval to the board. The number of unhoused pupil grants requested in the application for funding from the eligibility determined pursuant to this paragraph shall be limited to the number of seats necessary to relieve overcrowding, including, but not limited to, the elimination of the use of Concept 6 calendars, four track

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year-round calendars, or bussing in excess of 40 minutes, less the number of unhoused pupil grants attributed to that school as a source school in an approved application pursuant to Section 17078.24.

- (D) A school district shall use the same alternative enrollment projection methodology for all applications submitted pursuant to this paragraph and shall calculate those projections in accordance with the same district-wide or high school attendance area used for the enrollment projection made pursuant to paragraph (2).
- (2) A school district shall calculate enrollment projections for the fifth year beyond the fiscal year in which the application is made. Projected enrollment shall be determined by utilizing the cohort survival enrollment projection system, as defined and approved by the board. The board may supplement the cohort survival enrollment projection by the number of unhoused pupils that are anticipated as a result of dwelling units proposed pursuant to approved and valid tentative subdivision maps.
- (b) Add the number of pupils that may be adequately housed in the existing school building capacity of the applicant school district as determined pursuant to Article 2 (commencing with Section 17071.10) to the number of pupils for whom facilities were provided from any state or local funding source after the existing school building capacity was determined pursuant to Article 2 (commencing with Section 17071.10). For this purpose, the total number of pupils for whom facilities were provided shall be determined using the pupil loading formula set forth in Section 17071.25.
- (c) Subtract the number of pupils pursuant to subdivision (b) from the number of pupils determined pursuant to paragraph (2) of subdivision (a).
- (d) The calculations required to establish eligibility under this article shall result in a distinction between the number of existing unhoused pupils and the number of projected unhoused pupils.
- (e) (1) Apply the increase or decrease resulting from the difference between the most recent report made pursuant to Section 42268, and the report used in determining the baseline capacity of the school district pursuant to subdivision (a) of Section 17071.25.
- 39 (2) Eligibility shall not be reduced pursuant to paragraph (1) 40 in any year for a school for which the school district provides

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evidence that the school district will complete a project within three years that will house the pupils for whom grants were requested pursuant to Section 42260.

(f) For a school district with an enrollment of 2,500, or less, an adjustment in enrollment projections shall not result in a loss of ongoing eligibility to that school district for a period of three years from the date of the approval of eligibility by the board.

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10 CORRECTIONS:

11 Text — Pages 5, 6, and 7.

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